STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MARBOB ENRGY CORPORATION FOR A NON-STANDARD OIL SPACING AND PRORATION, EDDY COUNTY, NEW MEXICO.

Case No. 14,388

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Marbob Energy Corporation

OPPONENT

Nadel and Gussman HEYCO, LLC

Suite 508

601 North Marienfeld

APPLICANT'S ATTORNEY

William F. Carr

OPPONENT'S ATTORNEY

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Scott Germann

(432) 682-4429

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving a non-standard unit for the E/2E/2 Sec. Sec.36-18S-31E, and pooling all interests in the Bone Spring formation.

OPPONENT

Nadel and Gussman HEYCO, LLC opposes the application.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

Colby Booth

10 min.

Approx. 4

Scott Germann

(landman)

(geologist)

20 min.

Approx. 4

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Nadel and Gussman HEYCO,

LLC

cc: William F. Carr